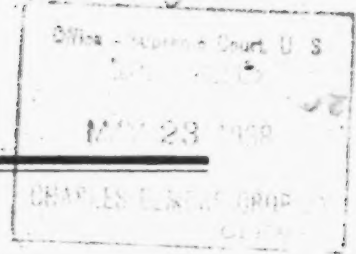


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IN THE  
**Supreme Court of the United States**

OCTOBER TERM, 1937.

\_\_\_\_\_  
No. 72.  
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CROWN CORK & SEAL CO., INC., *Plaintiff-Petitioner,*

v.

FERDINAND GUTMANN & COMPANY, *Defendant-Respondent.*

\_\_\_\_\_  
**OPPOSITION TO RESPONDENT'S MOTION TO AMEND  
JUDGMENT.**  
\_\_\_\_\_

THOMAS G. HAIGHT  
GEORGE F. SCULL,  
JOHN J. DARBY,  
GEORGE W. PORTER,  
*Counsel for Plaintiff-Petitioner.*

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**OPPOSITION TO RESPONDENT'S MOTION TO AMEND  
JUDGMENT.**

---

Petitioner opposes the Motion to Amend Judgment in this case and submits that it should be denied.

The case came before this Court on writ of certiorari to the Circuit Court of Appeals for the Second Circuit, which had held the Warth divisional patent No. 1,967,195 invalid for laches.

This Court held that there was no laches and reversed the judgment.

In accordance with Rule 32, paragraph 3,<sup>1</sup> of this Court and long established practice, the costs were awarded to petitioner in the decree of this Court dated May 2, 1938.

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<sup>1</sup> Rule 32, Par. 3:

"In cases of reversal of any judgment or decree by this court, costs shall be allowed to the appellant or petitioner, unless otherwise ordered by the court. The cost of the transcript of the record from the court below shall be a part of such costs, and be taxable in that court as costs in the case."

Substantially the same rule has been in effect since 1838. See the discussion of the rule history in *St. Louis et al. v. Spiller*, 275 U. S. 156, 159-160.

During all of the years that this rule has been in force, it has been the practice of this Court to award costs to the appellant or petitioner who obtains a reversal. So far as counsel for petitioner have been able to ascertain, the only instances in which the Court has availed itself of the clause "unless otherwise ordered by the Court" (Rule 32) are cases where there has been an affirmance in part and a reversal in part. This case does not present that question, since here the reversal was complete.

Requesting an exception to the general rule, respondent asserts: (a) it may eventually prevail in the lower court on issues not there decided or here reversed, and, (b) in the lower courts only a completely successful party may recover costs.

**The Final Outcome of the Case is Not Material to the Award of Costs in this Court.**

As early as 1842, this Court in *Bradstreet v. Potter*, 41 U. S. (16 Pet.) 317, 318, 10 L. Ed. 978, 979, awarded costs to the petitioner upon reversal of the lower court where there remained issues to be decided by the lower court, which issues had not properly been brought before the Supreme Court. A question presented was as to whether the defendant in error should be subjected to costs if no judgment was given by this Court on the merits of the cause. After refusing to decide the merits of the case, the Court said:

"In respect to costs upon cases brought to this Court, the rule is, as may be seen in the forty-seventh rule of the Court prefaced to 8 Peter's Reports, that in all cases of reversals of any judgment or decree in this Court, except where the reversal shall be for want of jurisdiction, costs shall be allowed in this Court for

the plaintiff in error, or appellant, as the case may be, unless otherwise ordered by the Court.

"The question as to costs in the Circuit Court is not before us."

In *Baldwin v. Ely*, 9 How. 580, 602, 13 L. Ed. 266, 275, this Court reversed a decree of the Circuit Court and remanded the case with directions as to further procedure in conformance with the opinion. In view of the facts of the case, the Court held that the appellee was entitled to his costs in the Circuit Court, stating however:

"But as regards the costs in this Court, the appellant, by the established rules and practice of the Court, is entitled to recover them, and they must be charged against the appellee."

In both of the above cited cases, this Court was fully aware that further proceedings were to be had in the lower courts but made it clear that costs in this Court and costs in the lower court are independent questions.

Aside from the plain language of the rule, the award of costs to petitioner is pursuant to the mandatory provision of statute<sup>2</sup> insofar as the printing of the record is concerned. The printing of the record in the case at bar is the principal item of expense. This Court has repeatedly recognized the force of the statute quoted footnote *infra*.

*Indianapolis & St. Louis Railroad Co. v. Vance*, 96 U. S. 594, 595, 24 L. Ed. 825.

*Fairmont Creamery Company v. State of Minnesota*, 275 U. S. 70, 77.

<sup>2</sup> U. S. C., Title 28, Section 352 (Judicial Code Section 254):

"There shall be taxed against the losing party in each and every cause pending in the Supreme Court, the cost of printing the record in such case, except when the judgment is against the United States."

**There Should Be No Exception to the General Rule Because of Respondent's Insistence Upon Printing Irrelevant Portions of the Record.**

As the motion admits, the only portion of the Circuit Court of Appeals' decision which this Court was asked to review related to the Warth Reissue Patent 19,117 and the divisional patent No. 1,967,195.

The record related to five other patents and it became necessary to reprint the same for use in this Court. Petitioner therefore proposed to respondent that all parts not pertinent to the petition for certiorari be eliminated. Respondent refused, as shown by the affidavit of petitioner's counsel reproduced in the appendix and filed with the clerk.

Thus the major portion of the record constituting three volumes of 1843 pages was irrelevant to the issues petitioner presented.

Under such circumstances respondent has no equities which invite an exception to the general rule.

The obligation of a party in respondent's position to bear the costs of unnecessary printing has been recognized by this Court.

In *The Ball and Socket Fastener Company v. Kractzer*, 150 U. S. 111, 118, 37 L. Ed. 1019, 1021, the Court said:

"We are, therefore, of opinion that the court below committed no error in its disposition of the case; but in view of the fact that the appellee has seen fit to encumber the record with copies of some fifty immaterial patents, we think it a proper case for the application of the 10th Rule,<sup>3</sup> which authorizes us (§ 9) to impose costs upon an appellee guilty of requiring unnecessary parts of the record to be printed, and that he should be charged with half the cost of printing the record in this case. 'Care should be taken that costs are not unnecessarily increased by incorporating useless papers, and that the case is presented fairly and intelligently.' *Union Pac. R. Co. v. Stewart*, 95 U. S. 279, 284 (24: 431, 432). With this qualification the decree is affirmed."

<sup>3</sup> The rule referred to in the decision corresponds substantially to present Rule 13 (9).

Again in *Stevens v. White City*, 285 U. S. 195, 204, 76 L. Ed. 699, 704, where the Court, on certiorari, affirmed the decision of the Court below, the opinion states:

"We find that respondent caused unnecessary parts of the record to be printed amounting in all to 186 pages. This is admitted in a statement filed by counsel for respondent. The cost of such printing will be charged to respondent. Rule 13, ¶ 9".

In view of the Court's admonition against unnecessarily increasing the cost, it is submitted that the circumstances of this case did not warrant a request on the part of the respondent for an exception to the rule that costs should be awarded to a petitioner where a reversal is obtained.

#### **Respondent's Reference to the Practice in the State Courts is Irrelevant.**

Respondent asserts that the New York State Appellate Courts frequently direct that costs shall abide the event and that "it is the practice of the federal courts to follow that of the state courts." This assertion is beside the point here presented. In any event, the decisions cited below show that the *federal* courts, including the Circuit Court of Appeals for the Second Circuit, award costs incurred with respect to an appeal regardless of the final outcome.

*Land Oberoesterreich v. Gude*, (C. C. A. 2nd), 93 F. 2nd, 292, 293.

*Berthold v. Burton*, (C. C. S. D. N. Y.), 169 Fed. Rep. 495, 496.

*Jennings v. Burton*, (C. C. S. D. N. Y.) 177 Fed. Rep. 603.

*Miller v. Hartwell Co.*, (C. C. A. 5th) 271 Fed. Rep. 385, 390.

*Bailey v. Mississippi Home Telephone Co.*, (D. C. M. D. Penn.) 254 Fed. Rep. 358.

It is to be noted that in the *Land Oberoesterreich* case (*supra*) the Court of Appeals for the Second Circuit or-



dered a new trial, yet awarded costs regardless of the final outcome.

Respondent asserts (Motion p. 4) that the position of the parties in the case at bar "is similar to a case in which an unsuccessful party takes an appeal and a new trial is ordered." Even accepting respondent's own assertion, the *Land Oberoesterreich* case shows that in accordance with the practice of the federal courts petitioner is entitled to costs without regard to the final outcome.

We find nothing in the patent cases cited by respondent (Motion p. 4) having any bearing on the question presented by the motion.

Respectfully submitted,

THOMAS G. HAIGHT

GEORGE F. SCULL,

JOHN J. DARBY,

GEORGE W. PORTER,

*Counsel for Plaintiff-Petitioner.*

## APPENDIX.

### Affidavit of Walter A. Pauling.

STATE OF NEW YORK }  
COUNTY OF NEW YORK } SS:

WALTER A. PAULING being duly sworn deposes and says that he is an attorney associated with the firm of Gifford, Scull & Burgess solicitors for the Crown Cork & Seal Co., Inc., the plaintiff-petitioner; that on or about October 11, 1937 after the grant of the petition for writ of certiorari and when it became necessary to print the transcript of record for filing and use in this Court, deponent, in a telephone conversation with Wm. E. Warland, Esq., counsel for the defendant-respondent, requested Mr. Warland to stipulate to eliminate all parts of the record not pertinent to the issues raised by plaintiff's petition for certiorari; that Mr. Warland stated that he would not agree to eliminate anything but desired to have the entire transcript of record reproduced; that, to confirm the conversation and understanding, a letter, of which the annexed is a copy, was sent to Mr. Warland on October 22nd, 1937.

WALTER A. PAULING.

Subscribed and sworn to before me this 18th day of May, 1938.

AGNES E. CONNEEN,  
*Notary Public.*

*Copy.*

October 22, 1937

William E. Warland, Esq.,  
Hauff & Warland,  
41 Park Row,  
New York, N. Y.

My dear Mr. Warland:

CROWN CORK & SEAL V. GUTMANN

This is to confirm the understanding reached between you and our Mr. Pauling as to the record in the Supreme Court in the above.

We proposed to you that in reproducing the record for the Supreme Court, all parts thereof not pertinent to the issues before the Supreme Court should be eliminated from the record by stipulation but you decided that you wanted the entire record reproduced.

Accordingly the Clerk has been instructed to reproduce the entire record before the Court of Appeals.

Yours very truly,

GEORGE F. SCULL (Signed)

GFS\*C

# SUPREME COURT OF THE UNITED STATES.

No. 72.—OCTOBER TERM, 1937.

<p>Crown Cork &amp; Seal Company, Inc.,          Petitioner,          vs.          Ferdinand Gutmann Co., Inc.</p>	}	<p>On Writ of Certiorari to          the United States Circuit          Court of Appeals for the          Second Circuit.</p>
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[May 2, 1938.]

Mr. Justice BUTLER delivered the opinion of the Court.

Petitioner sued respondent in the district court for eastern New York to enjoin infringements of patents, two of which are here involved. One is Warth Reissue Patent, No. 19,117, dated March 20, 1934. The other is Warth Patent, No. 1,967,195, dated July 17, 1934, a divisional patent. Both relate to methods for applying small disks of paper or foil, known as center spots, to cork cushions of crown caps. These caps are used to seal bottles containing pressure beverages. The center spot prevents contact of the liquid with the cork. The district court adjudged both patents valid and infringed. 14 F. Supp. 255. The circuit court of appeals reversed, holding the reissue patent not infringed and the divisional one invalid because of laches in filing the application on which it was granted. 86 F. (2d) 698.

The questions presented by the petition for the writ, granted — U. S. —, are these:

1. "Does this Court's decision in *Webster Co. v. Spliendorf Co.* [264 U. S. 463] mean that, even in the absence of intervening adverse rights, an excuse must be shown for a lapse of more than two years in presenting claims in a divisional application regularly filed and prosecuted in accordance with patent office rules?"

2. "Where there has been more than two years delay in asserting specific claims in a divisional application, is it an excuse for the delay that there were claims in the parent patent which, on their face, covered and were reasonably believed to cover, the subject-matter of the divisional claims, even if a Court later interpreted the parent patent claims not to cover such subject-matter?"

Our consideration of the case will be limited to these questions. *Washington Coach Co. v. Labor Bd.*, 301 U. S. 142, 146. *Morehead v. N. Y. ex rel. Tipaldo*, 298 U. S. 587, 604, 605. *Clark v. Williard*, 294 U. S. 211, 216. *Alice State Bank v. Houston Pasture Co.*, 247 U. S. 240, 242. The first calls for decision upon a single point. It specifically assumes the absence of intervening rights and that the application was appropriately made. There is no question as to the validity of either the original or reissue patents.

Warth filed his first application January 7, 1927 and his second November 7, 1930.<sup>1</sup> From these came the original patent, January 6, 1931. It was to correct an error in the specification that the reissue patent was granted. Before issue of the original patent Johnson, November 26, 1929, filed application on which a patent issued April 5, 1932. April 4, 1933, two years and four months after the original patent was granted Warth, he carved from his second application a divisional one in which he copied the claims of the Johnson patent. In the interference declared upon the conflict, the patent office held Warth's divisional application entitled to the filing date of his first one, and awarded the claims of the Johnson patent to him as prior inventor. These are the claims held too late by the circuit court of appeals.

The claims of the reissue patent involved are shown in the margin.<sup>2</sup> The important feature is simultaneous application of pressure and heat to the center spot to make it stick to the cork cushion in the cap. Neither these nor any other claims of the patent specify

<sup>1</sup> The first application extended to materials to be used in making center spots as well as to methods for applying them. The second application, because of a requirement of the patent office, omitted disclosures as to materials but included those as to methods that the first contained.

<sup>2</sup> Claim 1. "The improved method of manufacturing caps of the type having an interior disc of cushion material provided on its exposed face with a center spot, which comprises providing spot material in strip form having one surface formed of an exposed continuous coating of water resistant adhesive which is normally hard at room temperature but becomes tacky upon the application of heat and having another surface to be exposed to the contents of a capped container, cutting from said strip a facing spot having one surface completely coated with said adhesive with a cap disposed beneath the portion of the strip from which the spot is cut, whereby the cutting operation positions the spot upon the cushion material with the coating between the spot and the cushion material, and upon assembly applying simultaneously to the spot pressure and sufficient heat to render the adhesive tacky, thereby causing the spot to adhere to the cushion material, and thereafter permitting the adhesive to cool and harden."

Claim 3 repeats the words of claim 1 and adds these words, "while subjecting the assembled unit to pressure."

means to be employed to furnish the heat. The claims in suit of the divisional patent<sup>3</sup> cover means to supply heat to be applied to the center spots when subjected to pressure. The important feature is "heating the pads [cork cushions] in the caps" before placing the spots upon them.

The first application, January 7, 1927, stated: "It may be desirable to secure the metal foil spot in position, prior to the heat and pressure steps, sufficiently to prevent dislodgement of the spot during any interval between assembling and final sticking. This may be accomplished, for example, by preheating the assembled crown, to soften the coating as soon as the metal foil spot is deposited." That application contained claims, construed by the circuit court of appeals to be broad enough to cover that disclosure. The patent office called for drawings to illustrate means for carrying out the method claimed. Accordingly, Warth showed, by way of illustration, that heat might be furnished by the punch used to cut the spots from the adhesive material and place them upon the cork in the cap, where by the same stroke of the plunger, they might be subjected to pressure. When he filed the drawings, December 3, 1930, he canceled from the first application the statement just quoted and canceled the claims originally filed. The second application had already been filed. Both contained another statement: "In carrying out the invention according to what is now considered the best practice, the coating will be softened by heat after the crown is assembled. This may be accomplished in any suitable manner, as by a heated plunger or a plunger and heated table. The heat softens the coating and renders it adhesive.

" So far as concerns the question under consideration,

<sup>3</sup> These claims are fully indicated immediately below. The insertions in brackets give equivalent terms used in the claims of the Reissue patent.

Claim 1. "The method of assembling linings [center spots] for sealing pads [cushion material] in ~~respectable~~ closure caps, consisting in providing caps with sealing pads therein and a web of lining material arranged with an adhesive surface non-viscous at normal temperature, heating the pads in the caps, severing linings from the web of lining material and assembling the linings as they are severed from the web in the caps with the adhesive surface in contact with the heated pads to render the adhesive viscous and effect adhesion of the linings of the pads."

Claim 2 repeats the words of claim 1 and adds these words, "and then placing the linings in the caps under heat and pressure to effect an intimate adhesion between the linings and pads."

Claim 3 repeats the words of claim 1 and the addition of claim 2 and adds these words, "and then placing the linings assembled in the caps under pressure during the cooling thereof."

receptacle  
to /

it is broad enough to include means for supplying heat by the punch as shown by the drawings, and the preheating method claimed in the divisional application.

The district court found no adverse use of the preheating method prior to the filing date of the application for the reissue patent. The circuit court of appeals did not disturb that finding. It found that Warth's disclosure of the preheating method was continuously before the patent office from the date of his first application, but that there was no claim for the preheating method on file from December 3, 1930, until April 4, 1933, when he filed application for the divisional patent. It held, citing *Webster Co. v. Splitdorf Co.*, *supra*, that *prima facie* the two year limit applies to divisional applications, and that an applicant who waits longer before claiming an invention disclosed in his patent must justify his delay by proof of some excuse. It said (86 F. (2d) 702), "No such excuse appears here. Had Warth chosen to retain in his parent application broad generic claims which might cover the preheating method, then indeed the Splitdorf rule might not be applicable . . . But . . . for a period of more than two years Warth apparently did not wish to claim the preheating method, having deliberately canceled the preheating specification from his original application and shaped his claims so as to exclude it and his patent having been granted January 6, 1931. He made no claim for preheating until more than two years thereafter, namely, April 4, 1933. In the meantime a patent containing claims for the preheating method had been granted to Johnson on April 5, 1932, and it was Warth's discovery of this fact which stirred him to action. As in the *Splitdorf* case, had it not been for this competitor, Warth might never have considered the subject worth claiming as an invention." The court meant that Warth had really abandoned his invention. See *Western Electric Co. v. General Talking Pictures Co.*, 91 F. (2d) 922, 927.

But, as abandonment was not pleaded as a defense, R. S. § 4920, and as Warth's disclosure was continuously before the patent office, clearly without any significance adverse to the petitioner is the fact that Warth formally canceled one disclosure from his first application and with it claims thought by the circuit court of appeals broad enough to cover the disclosure. The continuity so maintained shows that Warth intended to retain, not to abandon, the disclosed inven-



tion. See *Godfrey v. Eames*, 1 Wall. 317, 325-326. *Clark Blade & Razor Co. v. Gillette Safety Razor Co.*, 194 Fed. 421, 422.

This case is not like *Webster Co. v. Splitdorf Co.*, *supra*. In that case, there came here the question of the validity of claims of a patent issued to Kane in 1918. In 1910 Kane had filed his first application, on which patent issued in 1916. In 1913 a patent covering the same subject-matter issued to the Podlesaks, to whom a reissue patent was granted in 1915. Later in 1915, Kane filed a divisional application which copied the claims of the Podlesak patent. They were decided in favor of the Podlesaks. Thereafter, June 17, 1918, Kane amended his divisional application by adding claims which were allowed, and September 24, 1918, patent issued to Webster Electric Company, Kane's assignee. In 1915, it had brought the suit against the Splitdorf Company. October 25, 1918, it filed a supplemental bill bringing in claims of the patent issued September 24, 1918.

This Court pointed out (p. 465) that the claims in question "were for the first time presented to the Patent Office, by an amendment to a divisional application eight years and four months after the filing of the original application, five years after the date of the original Podlesak patent, disclosing the subject matter, and three years after the commencement of the present suit." We suggested that it was doubtful whether the claims were not so enlarged as to preclude allowance under the original application; we found that Kane, deeming their subject-matter not invention, did not intend to assert them, and, prior to 1918, did not entertain an intention to have them covered by patent. During all of this time their subject matter was disclosed and in general use; Kane and his assignee simply stood by and awaited developments. It was upon the reasons so stated that this Court declared (p. 466) "We have no hesitation in saying that the delay was unreasonable, and, under the circumstances shown by the record, constitutes laches, by which the petitioner lost whatever rights it might otherwise have been entitled to."

Upon a review of earlier cases we condemned the lower court's statement (283 Fed. 83, 93) that *Chapman v. Wintroath*, 252 U. S. 126, fixed the time within which application for a divisional patent might be made at two years from date of the issue of the parent patent. We showed that the *Chapman* case held that an inventor,



whose application disclosed but did not claim an invention later patented to another, was not required within one year after issue of the other patent, to file divisional application claiming the invention and so to raise issue of interference, but that, by analogy, the two-year period under R. S. § 4886<sup>4</sup> applied rather than the one-year period of R. S. § 4894,<sup>5</sup> and that the opinion did not fix a hard and fast rule to be applied in every case of a divisional application. Then we said (p. 471): "Our conclusion, therefore, is that, in cases involving laches, equitable estoppel, or intervening private or public rights, the two-year time limit *prima facie* applies to divisional applications, and can only be avoided by proof of special circumstances justifying a longer delay. In other words, we follow in that respect the analogy furnished by the patent re-issue cases." That statement is not directly applicable to the precise question of laches upon which the case turned, but was made in reference to the question arising upon the lower court's erroneous interpretation of *Chapman v. Wintroath*. See *Wagenhorst v. Hydraulic Steel Co.*, 27 F. (2d) 27, 29-30. *Wirebound Patents Co. et al. v. Saranac*, 37 F. (2d) 830, 840-841. *Utah Radio Products Co. v. Boudette*, 78 F. (2d) 793, 799. It is clear that, in the absence of intervening adverse rights, the decision in *Webster Co. v. Splittdorf Co.* does not mean that an excuse must be

<sup>4</sup> R. S. § 4886, as amended March 3, 1897 (29 Stat. 692): "Any person who has invented or discovered any new and useful art, machine, manufacture, or composition of matter, or any new and useful improvements thereof, not known or used by others in this country, before his invention or discovery thereof, and not patented or described in any printed publication in this or any foreign country, before his invention or discovery thereof, or more than two years prior to his application, and not in public use or on sale in this country for more than two years prior to his application, unless the same is proved to have been abandoned, may, upon payment of the fees required by law, and other due proceeding had, obtain a patent therefor." [The statute has since been amended, but not to change the two-year period. See 35 U. S. C. § 31.]

Cf. R. S. § 4887 (35 U. S. C. § 32), relating to inventions patented abroad; R. S. § 4897 (35 U. S. C. § 38), relating to renewal application after failure to comply with requirement as to payment of final fee; R. S. § 4920 (35 U. S. C. § 69), relating to defense of prior invention.

<sup>5</sup> R. S. § 4894, as amended March 3, 1897 (29 Stat. 693). "All applications for patents shall be completed and prepared for examination within one year after the filing of the application, and in default thereof, or upon failure of the applicant to prosecute the same within one year after any action therein, of which notice shall have been given to the applicant, they shall be regarded as abandoned by the parties thereto, unless it be shown to the satisfaction of the Commissioner of Patents that such delay was unavoidable." [The statute has since been amended to reduce the period to six months. See 35 U. S. C. § 37.]

shown for a lapse of more than two years in presenting the divisional application. Where there is no abandonment, mere delay in filing a divisional application for not more than two years after an intervening patent or publication, does not operate to enlarge the patent monopoly beyond that contemplated by the statute. By R. S. § 4886, delay in filing an application for not more than two years after an intervening patent or publication does not bar a patent unless the invention "is proved to have been abandoned." See *Wirebound Patents Co., et al. v. Saranac*, 37 F. (2d) 830, 840, 841; 65 F. (2d) 904, 905, 906. And, as none need be shown, there is no occasion to decide whether the facts stated in the second question are sufficient to constitute an excuse for the delay referred to.

As our decision is limited to the first question presented, the judgment of the circuit court of appeals will be reversed and the case will be remanded to that court for decision of the other issues in the case in accordance with this opinion.

*It is so ordered.*

Mr. Justice CARDOZO and Mr. Justice REED took no part in the consideration or decision of this case.

A true copy.

Test:

*Clerk, Supreme Court, U. S.*

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# SUPREME COURT OF THE UNITED STATES.

No. 72.—OCTOBER TERM, 1937.

Crown Cork & Seal Company, Inc.,  
Petitioner,

vs.

Ferdinand Gutmann Co., Inc.,  
Respondent.

On Writ of Certiorari to  
the United States Circuit  
Court of Appeals for the  
Second Circuit.

[May 2, 1938.]

Mr. Justice BLACK, dissenting.

This Court declared in *Webster Co. v. Splitdorf Co.*, 264 U. S. 463, 466, 471:

"In suits to enforce reissue patents, the settled rule of this Court is that a delay for two years or more will 'invalidate' the reissue *unless the delay is accounted for and excused by special circumstances, which show it to have been not unreasonable.*"

"Our conclusion, therefore, is that in cases involving *laches, equitable estoppel or intervening private or public rights*, the two year limit *prima facie* applies to *divisional applications* and can only be avoided by *proof of special circumstances justifying a longer delay*. In other words, we follow in that respect the analogy furnished by the patent reissue cases." (*Italics supplied.*)

The rule announced in the *Splitdorf* case was based upon a long line of decisions of this Court extending from *Miller v. Brass Co.*, 104 U. S. 350, decided in 1882.

The majority opinion abandons the principle of the *Splitdorf* case that either *laches or equitable estoppel or intervening private rights or intervening public rights*—in the absence of *proved special circumstances*—bars a divisional patent after a lapse of an unreasonable length of time—*prima facie* two years. It is now held that neither *laches* nor *equitable estoppel* may alone invalidate a patent without proof of "*intervening adverse rights.*" The authorities relied on in the *Splitdorf* case emphasized the right of the public—apart from provable adverse use by individuals—to require an applicant to pursue his right to a patent diligently and

without enlargement of claims *after filing an original application*.<sup>1</sup> "Any practice by the inventor and applicant for a patent through which he deliberately and without excuse postpones beyond the date of the actual invention, the beginning of the term of monopoly, and thus puts off the free public enjoyment of the useful invention, is an evasion of the statute and defeats its benevolent aim."<sup>2</sup>

There is a further departure from the *Splitdorf* case in the holding that two years delay in filing a divisional application after an intervening patent does not—in the absence of actual abandonment of the invention—bar the right to a "divisional" patent. Abandonment is but one of many grounds for invalidating a patent. Equitable estoppel, intervening public rights, or unjustified and unexplained laches were considered in the *Splitdorf* case and cases there relied on to be individually sufficient bars, without proof of abandonment. Unjustified delay and abandonment are separate defenses. If proof of abandonment is to be a prerequisite, laches as a separate defense is destroyed, although it has been recognized for more than fifty years. Unreasonable delay which serves to postpone the beginning of the seventeen year monopoly limitation, not only is possible without abandonment of the invention, but is highly probable. With the destruction of the defense of laches the public loses the benefit of the principle that "An inventor cannot without cause hold his application pending during a long period of years, leaving the public uncertain, whether he intends ever to prosecute it, and keeping the field of his invention closed against other inventions."<sup>3</sup>

The Court of Appeals following this settled principle—now abandoned—said:<sup>4</sup> "We think they [claims in the patent] are invalid for laches in filing the application for them. (Citing *Webster Co. v. Splitdorf Co.*). . . . These circumstances [facts of this case] invite operation of the two year limitation designed to protect the public against obtaining in effect an extension of a patentee's monopoly *by apathy and unexcused delay* in bringing

<sup>1</sup> See, *Miller v. Brass Co.*, 104 U. S. 350, 355; *James v. Campbell*, 104 U. S. 356, 371; *Mahn v. Harwood*, 112 U. S. 354, 360; *Ives v. Sargent*, 119 U. S. 652, 662; *Topliff v. Topliff*, 145 U. S. 156, 170, 171; *Wollensak v. Sargent*, 151 U. S. 221, 228.

<sup>2</sup> *Woodbridge v. United States*, 263 U. S. 50, 56.

<sup>3</sup> *Planing Machine Co. v. Keith*, 101 U. S. 479, 485.

<sup>4</sup> 86 F. (2d) 698, 702.

forward by divisional or reissue applications claims broader than those originally sought." (Italics supplied.)

While "divisional" applications have never been expressly authorized by statute the courts have long recognized their use as a part of Patent Office procedure. Petitioner's patent which the Court of Appeals found barred by laches was granted on a "divisional" application. Patent Office regulations which have limited each application for a patent to a single invention and have required a "division" of an application containing claims for two separate and distinct inventions, apparently gave rise to the procedural device of "divisional applications." The Court of Appeals of the District of Columbia acting in a special appellate capacity<sup>5</sup> and the Patent Office, have treated a "divisional," properly used, in some respects, as a substitute for an amendment. In accordance with this conception "divisionals" have been for certain purposes, treated as "continuations" of original applications and given the priority of original applications. The logical conclusion was reached that after an original application merged in a patent, a "divisional" application could not be attached to, or considered as a "continuation" of it, because "there was nothing to be continued."<sup>6</sup> After a patent is granted it passes "beyond the control and jurisdiction" of the Patent Office; the proceedings are closed and the application can neither be amended nor serve as the basis for a new "divisional" or "continuing" application.<sup>7</sup>

Here an application for a process patent was filed in 1927. November, 1930, in response to Patent Office requirement, a "divisional" application was filed for a *product* patent. January, 1931, a process patent was granted on the original application. More than two years after the original application had merged into a process patent another application designated as a "divisional" was

<sup>5</sup> *Frasch v. Moore*, 211 U. S. 1, 9, 10; *Butterworth v. Hoe*, 112 U. S. 50, 60.

<sup>6</sup> In *re Spitteler*, 31 App. D. C. 271, 274, 275. " . . . 'it is well established that for one application to be a division, within the meaning of the law, of another, the two must at some time be co-pending.' . . . *Sarfert v. Meyer*, 1902 C. D. 30; In *re Spitteler*, 31 App. D. C. 271, 1908 C. D. 374; . . . *Wainwright v. Parker*, 32 App. D. C. 431, 1909 C. D. 379.

" . . . An application cannot be considered as a continuance of a patent granted prior to the filing thereof, since after the application has eventuated into a patent there is nothing left pending before the Patent Office upon which it could act or to which the later application could attach. In *re Spitteler*, 31 App. D. C. 271, 134 O. G. 1301; *Wainwright v. Parker*, 32 App. D. C. 431, 142 O. G. 1115, 1909 C. D. 379."

*Fessenden v. Wilson*, 48 F. (2d) 422, 424.

<sup>7</sup> See, *McCormick Machine Co. v. Aultman*, 169 U. S. 606, 608, 609.

filed (April 4, 1933), for a second process patent—here involved. The Court of Appeals found this delay of six years to be without justification or excuse. Disregarding the previously recognized requirement that justification and excuse must be proven for such delay, the majority now hold that an applicant can, for six years, delay his claim for an alleged discovery without excuse, justification, or reason for the delay. This is permitted despite the fact that unclaimed disclosure of the alleged invention had been made in the 1927 process application and in the 1930 product application.

Congress—given the power by the Constitution—has fixed the statutory limit of a patent monopoly at seventeen years.<sup>8</sup> By the procedural device of a “divisional” application, designed to protect rights granted an inventor by statute, petitioner has carved for itself priority monopoly rights, beginning in 1927 and lasting until 1951—twenty-four years, or seven years more than Congress has authorized.

In the remedy of reissue provided by statute for applicants whose claims fail to protect their entire discoveries,<sup>9</sup> Congress has been alert to protect the public from such an extension of monopoly. A reissue patent must be based on oath that an applicant's original patent failed to cover its actual invention as a result of accident, inadvertence or mistake, and runs only for *the unexpired portion of a seventeen year patent grant*. The use of “divisionals” or “continuations,” no longer subject to the defense of laches or unreasonable delay, will permit an applicant to obtain, by a non-statutory procedural device, monopoly privileges denied by the reissue statute.

The essential additional claim in petitioner's 1934 “divisional” patent was only mentioned in the 1927 original application and the 1930 “divisional” application by way of casual suggestion and incidental illustration.<sup>10</sup> Even this casual suggestion was stricken from the 1927 application in December, 1930. These suggestive

<sup>8</sup> 35 U. S. C., Chapter 2, Sec. 40.

<sup>9</sup> 35 U. S. C., Chapter 2, Sec. 64.

<sup>10</sup> The essential additional claim of the 1934 divisional process patent was for “preheating” cork used in making bottle caps. The incidental reference to preheating in the 1927 application was as follows:

“It may be desirable to secure the metal foil in position, prior to the heat and pressure steps, sufficiently to prevent dislodgment of the spot during any interval between assembling and final sticking. This may be accomplished, for example, by preheating the assembled crown, to soften the coating as soon as the metal foil spot is deposited. Or the coating may be softened by moistening slightly with a solvent, such as benzol. In either case the coating



illustrations did not constitute parts of the inventions which the 1927 and 1930 applications sought to cover or secure.<sup>11</sup> The speculative suggestions—from separate applications for different inventions—are pieced together and held sufficient to “continue” the 1927 application (after its merger in a patent) and the 1930 application, as support for the retroactive operation of a claim made for the first time in 1933. As a result of the destruction of the defense of laches in applying for “divisional” applications, those familiar with a given field of industry may now insert speculative conjectures as disclosures in various applications and permit them to lie dormant until a competitor reduces speculation to practicality. Then, by the device of a “divisional,” or if need be, as here, by “divisional” on “divisional,” such a competitor can be pursued with infringement suits and harassed into surrendering his business to an ingeniously dilatory applicant.<sup>12</sup> Thus, sweeping, indefinite and unclaimed disclosures, and adroit use of “divisionals”—which laches and unreasonable delay are no longer sufficient to bar—are permitted to extend a patent’s statutory life and to increase a patentee’s reward beyond that granted by Congress.

“The patent laws are founded in a large public policy to promote the progress of science and the useful arts. The public, therefore, is a most material party to, and should be duly considered in, every application for a patent. . . . But the arts and sciences will certainly not be promoted by giving encouragement to inventors to withhold and conceal their inventions for an indefinite time, or to a time when they may use and apply their inventions to their own exclusive advantage, irrespective of the public benefit, and certainly not if the inventor is allowed to conceal his invention to be brought forward in some after time to thwart and defeat a more diligent and active inventor, who has placed the benefit of his invention within the reach and knowledge of the public.”<sup>13</sup>

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becomes tacky enough to hold the metal foil from getting out of position during ordinary passage through assembling apparatus.”

The 1930 divisional application for a product patent merely suggested that “*It may be desirable to secure the spot in position, prior to the heat and pressure steps, sufficiently to prevent dislodgement of the spot during any interval between assembling and final sticking. This may be accomplished, for example, by preheating the assembled crown, to soften the coating, as soon as the metal foil is deposited.*” (Italics supplied.)

<sup>11</sup> Cf., *Corbin Cabinet Lock Co. v. Eagle Lock Co.*, 150 U. S. 38, 42, 43.

<sup>12</sup> Cf., *Atlantic Works v. Brady*, 107 U. S. 192, 200.

<sup>13</sup> *Woodbridge v. United States*, *supra*, 61.